

FISCAL NOTE
HB 4206 - SB 4207

March 3, 2008

SUMMARY OF BILL: Makes various revisions to the *Long-Term Care Insurance Act* including the prohibiting of certain conditions for eligibility and benefits and creates additional requirements to the coverage outline and policy delivery. Creates a monthly report required by carriers of benefits funded through a life insurance death benefit and requires denied claims be in writing within 60 days of the request. Creates a six month and two year incontestability period for policies for misrepresentations by the applicant. Grants specific and general rulemaking authority to the Commissioner of Commerce and Insurance.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Assumptions:

- The provisions of the bill revise Tennessee laws to be consistent with the current Long-Term Care Insurance Model Act of the National Association of Insurance Commissioners which will ensure the state's ability to participate in the Long-Term Care Partnership Program authorized by the *Deficit Reduction Act of 2005*.
- The Department of Commerce and Insurance will incur an increase in expenditures to collect, review, and approve long-term care insurance carriers' amended policies to bring them into compliance. Any cost is estimated to be not significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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